

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 19-0949.01 Jennifer Berman x3286

SENATE BILL 19-198

SENATE SPONSORSHIP

Todd and Coram,

HOUSE SPONSORSHIP

Buentello and Gray,

Senate Committees

State, Veterans, & Military Affairs
Finance

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE CONTINUED MANAGEMENT OF WASTE TIRES.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

To encourage resource recovery, recycling, and reuse of waste tires, there is a waste tire fee assessed on each new tire sold in the state. Commencing on January 1, 2020, the bill raises the waste tire fee from 55 cents to up to \$2.00, as set by the solid and hazardous waste commission by rule, and, on January 1, 2024, reduces it to 55 cents.

The bill also recreates the end users fund, into which fund, on and after January 1, 2020, 75% of the revenue collected from the waste tire fee will be transferred. The fund is used to provide rebates to end users

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

for the processing of waste tires into tire-derived products or fuel. The end users fund and the rebate program are repealed on July 1, 2025.

The bill increases the number of waste tires that an owner or operator of a waste tire monofill is required to process into tire-derived product from 2 to 5.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 30-20-1402, **amend**
3 (1); and **add** (1.2), (1.5), (7.5), and (9.5) as follows:

4 **30-20-1402. Definitions.** As used in this part 14, unless the
5 context otherwise requires:

6 (1) ~~"Beneficial user" means a person who uses solid waste as an~~
7 ~~ingredient in a manufacturing process or as an effective substitute for~~
8 ~~natural or commercial products, in a manner that does not pose a threat~~
9 ~~to human health or the environment. Avoidance of processing or disposal~~
10 ~~cost alone does not constitute beneficial use~~ "ALTERNATIVE DAILY
11 COVER" MEANS AT LEAST THREE INCHES OF EARTHEN MATERIAL OR OTHER
12 SUITABLE MATERIAL PLACED OVER THE EXPOSED SOLID WASTE AT THE END
13 OF EACH OPERATING DAY, OR AT SUCH FREQUENCIES AS NEEDED TO
14 PREVENT OR MINIMIZE NUISANCE CONDITIONS.

15 (1.2) "ASTM STANDARD D6270" MEANS THE AMERICAN SOCIETY
16 FOR TESTING AND MATERIALS STANDARD ENTITLED "STANDARD
17 PRACTICE FOR USE OF SCRAP TIRES IN CIVIL ENGINEERING
18 APPLICATIONS", EFFECTIVE ON DECEMBER 15, 2017.

19 (1.5) "BENEFICIAL USER" MEANS A PERSON WHO USES SOLID
20 WASTE FOR ENERGY RECOVERY IN A MANUFACTURING PROCESS OR AS AN
21 EFFECTIVE SUBSTITUTE FOR NATURAL OR COMMERCIAL PRODUCTS, IN A
22 MANNER THAT DOES NOT POSE A THREAT TO HUMAN HEALTH OR THE
23 ENVIRONMENT. AVOIDANCE OF PROCESSING OR DISPOSAL COST ALONE

1 DOES NOT CONSTITUTE BENEFICIAL USE.

2 (7.5) "RURAL COUNTY" MEANS A COUNTY WITH A POPULATION OF
3 FEWER THAN SIXTY THOUSAND RESIDENTS.

4 (9.5) "TON" MEANS A UNIT OF WEIGHT EQUAL TO TWO THOUSAND
5 POUNDS.

6 **SECTION 2.** In Colorado Revised Statutes, 30-20-1403, **amend**
7 (1)(a) and (2) as follows:

8 **30-20-1403. Waste tire fee - distribution - rules - repeal.**

9 (1) (a) (I) (A) UNTIL DECEMBER 31, 2019, RETAILERS OF NEW MOTOR
10 VEHICLE TIRES AND NEW TRAILER TIRES SHALL COLLECT A WASTE TIRE FEE
11 IN AN AMOUNT TO BE SET BY THE COMMISSION, BY RULE, NOT TO EXCEED
12 ONE DOLLAR AND FIFTY CENTS ON THE SALE OF EACH NEW TIRE. THE
13 STATE TREASURER SHALL CREDIT THE REVENUE FROM THE FEE ASSESSED
14 IN THIS SUBSECTION (1)(a)(I)(A) TO THE WASTE TIRE ADMINISTRATION,
15 ENFORCEMENT, MARKET DEVELOPMENT, AND CLEANUP FUND CREATED IN
16 SECTION 30-20-1404.

17 (B) THIS SUBSECTION (1)(a)(I) IS REPEALED, EFFECTIVE JULY 1,
18 2020.

19 (II) EFFECTIVE JANUARY 1, 2020, AND CONTINUING THROUGH
20 DECEMBER 31, 2025, retailers of new motor vehicle tires and new trailer
21 tires shall collect a waste tire fee in an amount to be set by the
22 commission, by rule, not to exceed ~~one dollar and fifty cents~~ TWO
23 DOLLARS on the sale of each new tire; except that, effective on and after
24 January 1, 2018 2024, the waste tire fee is fifty-five cents on the sale of
25 each new tire.

26 (III) EFFECTIVE JANUARY 1, 2020, THE COMMISSION MAY REVIEW
27 THE FEE ON AN ANNUAL BASIS AND, BY RULE, ADJUST THE FEE AMOUNT IN

1 A MANNER CONSISTENT WITH THE OBLIGATIONS SET FORTH IN SUBSECTION
2 (2) OF THIS SECTION. THE COMMISSION SHALL SET THE FEE IN AN AMOUNT
3 THAT IS SUFFICIENT TO:

4 (A) OFFSET THE DEPARTMENT'S DIRECT AND INDIRECT COSTS OF
5 IMPLEMENTING THIS PART 14, WHICH COSTS MUST NOT EXCEED THE
6 EQUIVALENT OF FIFTY-FIVE CENTS FOR EACH NEW TIRE SOLD; AND

7 (B) COVER THE REBATE PROGRAM DESCRIBED IN SECTION
8 30-20-1405.

9 (IV) The receipt from the retailer to the customer for every new
10 tire PURCHASED must contain the following statement in the largest
11 bold-faced type capable based on point-of-sale software and on existing
12 invoice printers, not to exceed fifteen points: "Section 30-20-1403,
13 Colorado Revised Statutes, requires retailers to collect a waste tire fee set
14 by the solid and hazardous waste commission on the sale of each new
15 motor vehicle tire and each new trailer tire."

16 (2) (a) ~~Until December 31, 2017~~ FROM JANUARY 1, 2020,
17 THROUGH DECEMBER 31, 2025, the state treasurer shall distribute the
18 revenue from the fee assessed in subsection (1) of this section as follows:

19 (I) ~~Thirty percent~~ THE PORTION OF THE FEE COLLECTED TO OFFSET
20 THE COSTS DESCRIBED IN SUBSECTION (1)(a)(III)(A) OF THIS SECTION to
21 the waste tire administration, enforcement, MARKET DEVELOPMENT, and
22 cleanup fund created in section 30-20-1404; AND

23 (II) ~~Sixty-five percent~~ THE PORTION OF THE FEE COLLECTED TO
24 COVER THE COSTS DESCRIBED IN SUBSECTION (1)(a)(III)(B) OF THIS
25 SECTION to the end users fund created in section 30-20-1405. ~~and~~

26 (III) ~~Five percent to the waste tire market development fund~~
27 ~~created in section 30-20-1406.~~

1 (b) ~~Effective January 1, 2018, the state treasurer shall distribute~~
2 ~~all of the revenue from the fee assessed in subsection (1) of this section~~
3 ~~to the waste tire administration, enforcement, and cleanup fund created~~
4 ~~in section 30-20-1404.~~

5 **SECTION 3.** In Colorado Revised Statutes, 30-20-1404, **amend**
6 (1), (2) introductory portion, (2)(l), and (2)(m); and add (2)(o) as follows:

7 **30-20-1404. Waste tire administration, enforcement, market**
8 **development, and cleanup fund - creation - rules.** (1) There is hereby
9 created in the state treasury the waste tire administration, enforcement,
10 MARKET DEVELOPMENT, and cleanup fund, referred to in this section as
11 the "fund", consisting of the fee revenue credited pursuant to section
12 30-20-1403 (2)(a)(l) or (2)(b) and any other ~~moneys~~ MONEY appropriated
13 to it. The general assembly shall annually appropriate the ~~moneys~~ MONEY
14 in the fund to the department for its direct and indirect administrative and
15 enforcement costs in administering and enforcing this part 14. The state
16 treasurer shall credit all interest earned on the investment of ~~moneys~~
17 MONEY in the fund to the fund. Any unexpended and unencumbered
18 ~~moneys~~ MONEY in the fund IN EXCESS OF SIXTEEN AND ONE-HALF
19 PERCENT OF THE PREVIOUS FISCAL YEAR'S EXPENDITURES at the end of any
20 fiscal year ~~remain in the fund and do not revert to the general fund or any~~
21 ~~other fund~~ SHALL BE CREDITED:

22 (a) THROUGH DECEMBER 31, 2025, TO THE END USERS FUND
23 CREATED IN SECTION 30-20-1405; AND

24 (b) ON AND AFTER JANUARY 1, 2026, TO THE GENERAL FUND.

25 (2) The department shall use the ~~moneys~~ MONEY in the fund for:

26 (l) Maintaining an online complaint form and processes for law
27 enforcement, fire departments, and citizens to report potential waste tire

1 violations; and

2 (m) In conjunction with the division of fire prevention and control
3 in the department of public safety, developing a model fire prevention,
4 training, and firefighting plan, hiring a consultant to assist in developing
5 the plan, and reimbursing the division of fire prevention AND CONTROL
6 for its time spent assisting the department in implementing this paragraph
7 (m) SUBSECTION (2)(m); AND

8 (o) ENCOURAGING WASTE TIRE MARKET DEVELOPMENT.

9 **SECTION 4.** In Colorado Revised Statutes, **recreate and**
10 **reenact, with amendments,** 30-20-1405 as follows:

11 **30-20-1405. End users fund - creation - quarterly rebates -**
12 **rules - repeal.** (1) THERE IS HEREBY CREATED IN THE STATE TREASURY
13 THE END USERS FUND, REFERRED TO IN THIS SECTION AS THE "FUND",
14 CONSISTING OF THE FEE REVENUE CREDITED PURSUANT TO SECTION
15 30-20-1403 (2)(a)(II). THE STATE TREASURER SHALL CREDIT ALL
16 INTEREST AND ANY OTHER RETURN ON THE INVESTMENT OF MONEY IN THE
17 FUND TO THE FUND. THE FUND IS SUBJECT TO ANNUAL APPROPRIATION BY
18 THE GENERAL ASSEMBLY TO THE DEPARTMENT FOR THE PURPOSES
19 SPECIFIED IN THIS SECTION.

20 (2) (a) THE DEPARTMENT SHALL USE THE MONEY IN THE FUND TO
21 PROVIDE QUARTERLY REBATES TO IN-STATE:

22 (I) END USERS; AND

23 (II) RETAILERS THAT SELL TIRE-DERIVED PRODUCTS.

24 (b) A WASTE TIRE HAULER OF TIRES IN A RURAL COUNTY IS ONLY
25 ELIGIBLE FOR REBATES PURSUANT TO THIS SUBSECTION (2) IF THE WASTE
26 TIRE HAULER IS ALSO AN END USER OR HAS CONTRACTED WITH AN END
27 USER THAT IS ALSO A WASTE TIRE HAULER.

1 (3) THE REBATE IS SUBJECT TO THE FOLLOWING CONDITIONS:

2 (a) THE DEPARTMENT SHALL PAY THE REBATE AMOUNT
3 QUARTERLY, ON A PER-TON BASIS; AND

4 (b) ONCE THE DEPARTMENT HAS PAID A REBATE ON A PARTICULAR
5 QUANTITY OF TIRE-DERIVED PRODUCT, EVERY PART OF THAT PARTICULAR
6 QUANTITY OF TIRE-DERIVED PRODUCT IS NO LONGER ELIGIBLE FOR
7 PAYMENT OF THE REBATE.

8 (4) (a) THE COMMISSION SHALL ANNUALLY SET THE AMOUNT OF
9 THE REBATE, BY RULE, ON A PER-TON BASIS, AND THE DEPARTMENT SHALL
10 PAY THE SET REBATE AMOUNT FOR EACH TON OF QUALIFIED TIRE-DERIVED
11 PRODUCT. THE COMMISSION SHALL CALCULATE THE REBATE TO EQUAL,
12 BUT NOT EXCEED, THE AMOUNT OF THE ANTICIPATED INCOME
13 TRANSFERRED INTO THE FUND DURING EACH SUCCEEDING TWELVE-MONTH
14 PERIOD.

15 (b) EACH YEAR, THE DEPARTMENT SHALL CONTINUE TO PROVIDE
16 THE REBATE IN ACCORDANCE WITH THE TIERED STRUCTURE SET FORTH IN
17 SUBSECTION (5)(e) OF THIS SECTION UNTIL:

18 (I) ALL QUALIFIED REBATE REQUESTS SUBMITTED IN THAT YEAR
19 ARE SATISFIED; OR

20 (II) THERE IS INSUFFICIENT MONEY IN THE FUND TO SUPPORT
21 ADDITIONAL REBATE PAYMENTS.

22 (5) THE COMMISSION SHALL PROMULGATE RULES GOVERNING
23 ADMINISTRATION OF THE REBATE, WHICH RULES MUST INCLUDE THE
24 FOLLOWING:

25 (a) A QUARTERLY REBATE SCHEDULE FOR QUALIFIED RECIPIENTS,
26 WITH THE FIRST END USER PAYOUT IN JULY 2020, TO BE ISSUED FOR END
27 USES THAT OCCUR BETWEEN APRIL 1, 2020, AND JUNE 30, 2020;

1 (b) A REQUIREMENT THAT TWENTY-FIVE PERCENT OF THE
2 EXPECTED ANNUAL REBATE AMOUNT BE HELD IN RESERVE BEFORE PAYING
3 THE FIRST QUARTERLY REBATE;

4 (c) IF THE BALANCE OF THE FUND IS ANTICIPATED TO BE
5 INSUFFICIENT TO PAY OUT ALL OF THE REBATES APPLIED FOR, A
6 REQUIREMENT THAT THE DEPARTMENT:

7 (I) GIVE NOTICE OF THE ANTICIPATED INSUFFICIENCY TO ALL END
8 USERS THAT DURING THE PRECEDING TWELVE MONTHS HAVE SUBMITTED
9 AN APPLICATION FOR A REBATE; AND

10 (II) PAY A PROPORTIONALLY REDUCED REBATE BEGINNING WITH
11 TIER 1 AND RURAL WASTE TIRE HAULER REBATE RECIPIENTS, CONTINUING
12 TO TIER 2 REBATE RECIPIENTS, AND ENDING WITH TIER 3 REBATE
13 RECIPIENTS;

14 (d) A REQUIREMENT THAT AN END USER THAT QUALIFIES FOR A
15 REBATE BY UTILIZING WASTE TIRES FOR:

16 (I) ALTERNATIVE DAILY COVER MUST VERIFY WITH THE
17 DEPARTMENT THAT THE ALTERNATIVE DAILY COVER MEETS ALL
18 SPECIFICATION STANDARDS FOR ALL TYPE-B TIRE-DERIVED AGGREGATE,
19 AS ESTABLISHED BY THE ASTM STANDARD D6270; AND

20 (II) TIRE-DERIVED AGGREGATE MUST VERIFY WITH THE
21 DEPARTMENT THAT THE TIRE-DERIVED AGGREGATE MEETS ALL
22 SPECIFICATION STANDARDS FOR ALL TYPE-A TIRE-DERIVED AGGREGATE,
23 AS ESTABLISHED BY THE ASTM STANDARD D6270; AND

24 (e) THREE TIERS OF REBATE AMOUNTS THAT THE DEPARTMENT
25 MAY PAY OUT BASED ON THE AMOUNT OF THE WASTE TIRE THAT WAS USED
26 AND DESTROYED AS FOLLOWS:

27 (I) TIER 1: FULL REBATES GOING TO END USES THAT COMPLETELY

1 DESTROY THE WASTE TIRE FOR THE PURPOSE OF ENERGY RECOVERY OR
2 OTHER CLEAN TECHNOLOGIES AS DEFINED AND APPROVED BY THE
3 COMMISSION BY RULE:

4 (II) TIER 2: FIFTY PERCENT OF THE FULL REBATE GOING TO END
5 USES SUCH AS MOLDED PRODUCTS, CRUMBED RUBBER, AND RUBBER
6 MULCH; AND

7 (III) TIER 3: TWENTY-FIVE PERCENT OF THE FULL REBATE GOING
8 TO END USES FOR ALTERNATIVE DAILY COVER AND TIRE-DERIVED
9 AGGREGATE THAT MEET THE ASTM STANDARD D6270.

10 (6) THE DEPARTMENT:

11 (a) SHALL PAY:

12 (I) THE REBATE ONLY FOR WASTE TIRES THAT ARE GENERATED
13 AND PROCESSED IN COLORADO; AND

14 (II) TO AN END USER ONLY IF THE END USE INVOLVES
15 TIRE-DERIVED PRODUCTS IN COLORADO OR USE OF THE ENTIRE WASTE TIRE
16 TO GENERATE ENERGY OR FUEL IN COLORADO; AND

17 (b) MAY DENY:

18 (I) THE REBATE TO A PERSON THAT IS OUT OF COMPLIANCE WITH
19 ANY STATE OR FEDERAL ENVIRONMENTAL LAWS, RULES, OR REGULATIONS;
20 AND

21 (II) ALL FUTURE REBATES PURSUANT TO THIS SECTION AND
22 GRANTS OF MONEY FROM THE WASTE TIRE ADMINISTRATION,
23 ENFORCEMENT, MARKET DEVELOPMENT, AND CLEANUP FUND CREATED IN
24 SECTION 30-20-1404 TO AN APPLICANT THAT KNOWINGLY OR
25 INTENTIONALLY PROVIDES FALSE INFORMATION TO THE DEPARTMENT
26 WHEN APPLYING FOR A REBATE OR FOR A GRANT OF MONEY FROM THE
27 WASTE TIRE ADMINISTRATION, ENFORCEMENT, MARKET DEVELOPMENT,

1 AND CLEANUP FUND.

2 (7) WASTE TIRES OBTAINED FROM RURAL COUNTIES ARE ELIGIBLE
3 FOR AN ADDITIONAL REBATE AMOUNT OF TWENTY-FIVE DOLLARS PER TON;
4 HOWEVER, THE ADDITIONAL REBATE AMOUNT MUST NOT EXCEED THE
5 REBATE AMOUNT FOR TIER 3 REBATES AS DETERMINED BY THE
6 COMMISSION BY RULE PURSUANT TO SUBSECTION (5)(e)(III) OF THIS
7 SECTION. TO QUALIFY FOR THE ADDITIONAL REBATE AMOUNT SET FORTH
8 IN THIS SUBSECTION (7), AN END USER MUST PROVIDE EVIDENCE TO THE
9 DEPARTMENT DOCUMENTING THE COUNTY OF ORIGIN FOR EACH WASTE
10 TIRE.

11 (8) THE DEPARTMENT SHALL REQUIRE THAT AN END USER SUBMIT
12 AN APPLICATION FOR A REBATE THAT CONTAINS SELF-CERTIFICATIONS
13 PROVIDED BY THE END USER REGARDING:

14 (a) THE TOTAL TONNAGE OF TIRES PROCESSED; AND

15 (b) THE TOTAL TONNAGE OF TIRES COLLECTED IN RURAL
16 COUNTIES.

17 (9) (a) THE DEPARTMENT MAY ISSUE REBATES AFTER JANUARY 1,
18 2026, ONLY FOR END USES OCCURRING AND REBATES APPLIED FOR ON OR
19 BEFORE DECEMBER 31, 2025.

20 (b) THE COMMISSION SHALL REPEAL ANY RULES CONCERNING THE
21 FUND AND IMPLEMENTATION OF THIS SECTION ONCE THE DEPARTMENT HAS
22 ISSUED THE FINAL REBATES PURSUANT TO SUBSECTION (9)(a) OF THIS
23 SECTION.

24 (c) ON JULY 1, 2026, THE STATE TREASURER SHALL TRANSFER ANY
25 MONEY LEFT IN THE FUND TO THE GENERAL FUND.

26 (10) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2026.

27 **SECTION 5.** In Colorado Revised Statutes, 30-20-1415, **amend**

1 (1)(j) and (3) as follows:

2 **30-20-1415. Waste tire monofills - requirements.** (1) An owner
3 or operator of a waste tire monofill shall, as specified by the commission
4 by rule:

5 (j) On an annual basis, for every one waste tire received, end use
6 at least ~~two~~ FIVE waste tires, or process at least ~~two~~ FIVE waste tires into
7 tire-derived product; and

8 (3) AFTER SOLICITING PUBLIC COMMENT, the department may issue
9 a waiver relating to any requirement of this section; EXCEPT THAT THE
10 DEPARTMENT SHALL NOT ISSUE A WAIVER OF SUBSECTION (1)(j) OR (1)(k)
11 OF THIS SECTION TO A WASTE TIRE MONOFILL OWNER OR OPERATOR
12 UNLESS THE OWNER OR OPERATOR HAS DEMONSTRATED THAT IT HAS
13 ACHIEVED A NET REDUCTION ON AN ANNUAL BASIS IN THE NUMBER OF
14 WASTE TIRES IN THE MONOFILL OR UNLESS AN EMERGENCY EVENT OF
15 LIMITED DURATION SUCH AS A FIRE OR FLOOD, AS DEFINED BY THE
16 COMMISSION, HAS OCCURRED.

17 **SECTION 6. Act subject to petition - effective date -**
18 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
19 the expiration of the ninety-day period after final adjournment of the
20 general assembly (August 2, 2019, if adjournment sine die is on May 3,
21 2019); except that, if a referendum petition is filed pursuant to section 1
22 (3) of article V of the state constitution against this act or an item, section,
23 or part of this act within such period, then the act, item, section, or part
24 will not take effect unless approved by the people at the general election
25 to be held in November 2020 and, in such case, will take effect on the
26 date of the official declaration of the vote thereon by the governor.

- 1 (2) This act applies to conduct occurring on or after the applicable
- 2 effective date of this act.